INDEX

INDEX

Accidents: industrial, in 1931, 46
  number and results of, in 1933, 36
Advertising of lending agencies, 195
Aged persons: increasing dependency of, 36
  number and proportion of, in United States, 48
  See also Social legislation
Agriculture, *see* Cotton; Farms
Aldrich, W. W., quoted, 174–175
Angell, Robert Cooley, cited, 39
Arkwright, Richard, 9
Armstrong, Barbara N., cited, 47, 50
Asch, Berta, cited, 34
Ashby, Dean, cited, 112
Automobiles
  as giving impetus to installment selling, 57–58, 121
  installment sales of, due to demands of prospective purchasers, 121
  installment sales versus cash sales of, 104–105
  repossessions of, 125–126
AYRES, MILAN V., Installment Selling and Finance Companies, 121–129

Baker, Oliver E., cited, 28
Bank credit
  fluctuations in, as affecting the business cycle, 69–70
  personal loans of commercial banks
    advantageous position of banks to make, 136, 140
    advantages of, to bank, 136, 137
    disadvantages of, to bank, and methods of overcoming them, 137–139
    increase of personal loan service by banks, 141
    losses on, small, 136, 139
    volume of, 136–137
  See also Industrial Banks
Bankruptcy, individual: causes of, 86–87
  incidence of loss from, 89–90
  increase of, 87–88
  proposals for prevention of, 91–92
Bankrupts: ages of, 88
  expenditures of, 88
  incomes of, 88
  indebtedness of, 88–89
  number of dependents of, 88
  occupations of, 88
  post-bankruptcy status of, 90–91
BEAN, LOUIS H., The Margin of Economic Security for Farm Families, 25–34
  cited, 27, 32
Bennett, Frank P., Jr., cited, 143
Bentham, Jeremy, 52, 189, 190
BERMAN, EDWARD, Borrowing on Life Insurance Policies, 176–180
Berry, Gwendolyn, H., cited, 43
BIGELOW, HOWARD F., The Consumption Unit of Society—The Family, 14–19
  cited, 16, 18
Birnie, Joseph E., cited, 67, 71
Birth rate, decline of, 22–23
Blair, Bertha, cited, 43
Bliss, Elisha, cited, 149
Bloom, Ira D., cited, 118
Borrowers
  attitudes of, toward loans, 221–223
  classification of, by lending agencies used, 145
  distress of, 198–200, 212–218, 221
  from credit unions, 156
  from pawn shops, classification of, 150
  ignorance of, 81–82, 194, 216
  improvidence of, 156–157
  irresponsibility of, 216–218
  occupations of, 67–68, 131, 139
  protection of: by The Legal Aid Society of New York, 198–204
    see also Regulation of consumer credit
  restraint of borrowings, by lenders, 137, 223
  types of, that seek legal aid assistance, 199
  See also Credit risks
BORROWING ON LIFE INSURANCE POLICIES, Edward Berman, 176–180
Boushall, Thomas C., cited, 143
BRADWAY, JOHN S., The Development of Regulation, 181–188
Brandeis, Louis D., 179
BRIEF FOR THE CONSUMER, Broadus Mitchell, 9–13
Brindley, James, 9
Brown, Lewis H., 167
Buckeridge, A. B., cited, 117
Building and loan associations as a form of consumer credit, 155
Business cycle
  as affected by consumer credit, 107–110
  as affected by fluctuations in bank credit, 69–70
Byrne, Harriet A., cited, 43

Calkins, Clinch, cited, 39
Calvin, John, 9, 52
Capitalism: defects of, 10–13
  rise of, 9
CARVER, THOMAS NIXON, Consumer Credit and Economic Instability, 93–98
CASE STUDY OF THE EFFECTS OF CONSUMER CREDIT UPON THE FAMILY, A, Earle Edward Eubank, 211–220
Catlett, Fred W., cited, 155
CHANGING PHILOSOPHY OF SMALL LOAN REGULATION, THE, Rolf Nugent, 205–210

CHARGE ACCOUNTS OF RETAIL MERCHANTS, Arthur H. Hert, 111–120
abuse of, 112
analysis of credit risks, 118–119
credit control, 115–116
credit information, 116–117
for all types of merchandise, 117–118
losses on credit sales, 109, 114–115, 118
solicited by merchants, 112
successful credit policies, 115, 119–120
uses of, to buyers and sellers, 111–112
volume and percentage of cash and credit sales, 100–101, 112–114
Clark, Evans, cited, 66, 75, 76, 149
COBB, W. BRUCE, Consumer Credit as It Comes to The Legal Aid Society of New York, 198–204
Cobden, Richard, 9
Colcord, Joanna C., cited, 35
Collins, Selwyn D., cited, 38, 39
Comakers and guarantors, difficulties of, 199–200
Competition
among credit agencies, 207
between banks and licensed lenders, 140
between industrial banks and other agencies, 145, 147–148
changing character of, 200
factors in, 79–82
regulation of, 72
between Government and private lending agencies, 175
imperfect: characteristics of, 82–83
effects of, 83–84
perfect, characteristics of, 79
Consumer credit
a product of industrialization, 64–65, 149–150, 211
appraisal of, 218–219
as affecting business recession and recovery, 107–110
as affecting the family, 212–218, 221, 223–224
as weakening individual thrift, 56
cost of, to society, 103–104
definition of, 63–64, 99, 163–164
does not increase purchasing power, 96–98, 102–105
evolution of, 135
justification of, 59–60, 211
need for, 64–65, 130
volume and percentage of, 74–76, 78, 104
See also Charge Accounts of Retail Merchants; Credit agencies; Installment credit; Regulation of consumer credit
CONSUMER CREDIT AND ECONOMIC INSTABILITY, Thomas Nixon Carver, 93–98
CONSUMER CREDIT AND INDIVIDUAL BANKRUPTCY, John H. Cover, 86–92
CONSUMER CREDIT AS IT COMES TO THE LEGAL AID SOCIETY OF NEW YORK, W. Bruce Cobb, 198–204
Consumer-producer relations, 1–8
Consumer spendings and savings for selected years, 107
Consumers
as affected by the New Deal, 10–11
as influencing production, 3
education of
re rational handling of financial affairs, 156–157, 220
re use of credit, 186, 223–224
family as a consumption unit, 14–19
Consumers' coöperatives, 4–5
See also Credit unions
CONSUMPTION UNIT OF SOCIETY—THE FAMILY, THE, Howard F. Bigelow, 14–19
Consumptive expenditures, classification of, 100
COÖPERATIVE CONSUMER CREDIT, C. R. Orchard, 155–161
Cotton, income from, 31
COULTER, CHARLES W., The Family as a Unit in Industrial Society, 20–24
COVER, JOHN H., Consumer Credit and Individual Bankruptcy, 86–92
cited, 66, 86, 88
Crassus, 57
Credit: functions of, 102
to farm tenants, cost of, 31
See also Bank credit; Consumer credit; Installment credit
Credit agencies
building and loan associations, 155
commercial banks, 135–141
cost factors of, 68–71
credit unions, 76, 155–161
Government agencies, 162–175
industrial banks, 142–148
life insurance policies, 176–180
list of, 63
losses, control of, 72–73
operating procedure of, 70–71
differences among agencies, 79–81
pawnbrokers, 76, 149–154
personal finance companies, 130–134
reduction of costs of, 71–73
remedial loan societies, 76, 153–154
retail merchants, 111–120
sales finance companies, 65, 122–123
types of, 164
unlawful lenders, 59, 75–76, 131, 133
Credit bureaus: advantages of, 195
growth and description of, 116
Credit risks, selection of, by Manufacturers Trust Company, 137, 138–139, 140
See also Borrowers
Credit unions
a form of coöperative, 155
achievements of, 160–161

field served by, 156
operating machinery of, 159–160
origin of, 155
principles and methods of, 155, 158–159
problems of, 160
rates of, 159
services rendered by, 156–158
volume of business of, 160
See also Consumers' coöperatives
Crowder, L. S., cited, 116
Cultural change, *see* Family, the

Dana, Richard H., Jr., 189
DAVIDSON, EARL E., How Regulation Works in Practice: The Regulator, 193–197
Deane, Albert L., 167
DEVELOPMENT OF REGULATION, THE, John S. Bradway, 181–188
Dissaving, 78
See also Life insurance
Dublin, Louis I., cited, 16, 18

Eccles, Marriner S., 166
quoted, 170
Economic stability: under barter economy, 93
under cash economy, 93–96
under credit economy, 96–98
EFFECT OF CONSUMER CREDIT ON THE BUSINESS CYCLE, Ray B. Westerfield, 99–110
EFFECTS OF INSECURITY ON FAMILY LIFE, THE, William Haber, 35–44
Engels, Friedrich, 11
Engle, N. H., cited, 113
Epstein, Abraham, cited, 46
EUBANK, EARLE EDWARD, A Case Study of the Effects of Consumer Credit Upon the Family, 211–220
cited, 211, 219
EVOLUTION OF THE CONSUMER, THE, Arthur Feiler, 1–8

Fahey, John H., 166
Family, the
as a consumption unit, 14–19
as affected by: consumer credit, 212–218, 221, 223–224
employment of women, 42–44
industrialization, 20–23, 35–37
unemployment, 37–40
as the center of human objectives, 45
health of, 38–39
marriage and sex mores, as affected by the depression, 40–41
size of, 22–23, 40
social life of, 39–40
transient families, 41–42
FAMILY AS A UNIT IN INDUSTRIAL SOCIETY, THE, Charles W. Coulter, 20–24
Farm income, *see* Income
Farmers, economic status of, 25–34
farm laborers, 25, 32–33
owner-operators, 26–30
tenants, 30–31
Farms, classification of, 27, 28
FEILER, ARTHUR, The Evolution of the Consumer, 1–8
cited, 3
Filene, Edward A., 155
Finance companies, *see* Personal finance companies; Sales finance companies
Fisher, Clyde Olin, cited, 143
Fisher, Irving, 70
Folsom, J. C., cited, 32
FOWLER, EDGAR F., The Licensed Lender, 130–134

Gainsbrugh, Martin R., cited, 100
Gamlen, E., cited, 115
GATES, CHARLES A., The Social Worker in the Service of the Small Loan Business, 221–224
Gilder, Joseph B., cited, 144
Gill, Corrington, cited, 40
Goodwin, Marion Schmadel, 211
GOVERNMENT AGENCIES OF CREDIT, Shirley K. Hart, 162–175
appraisal of, 173–175
as using the credit of the United States Treasury, 162
Electric Home and Farm Authority, 170
costs of, to Government, 172
operating methods of, 171–172
Federal Housing Administration, 166
achievement of, 170
costs of and losses from, to the Government, 169–170
operating methods of, 167–168
volume and type of notes insured by, 168–169
minor agencies, 164–165
outstanding loans and investments of, 163
purpose of, 162–163
Rural Rehabilitation Loan Program, 165–166
Government aid to individuals
evils of, 23–24
in Union of South Africa, 23–24
See also New Deal policies; Relief
GROBBEN, MARGARET, Volume and Classification of Consumer Loans, 74–78
cited, 176
Groves, Ernest R., cited, 39, 40

HABER, WILLIAM, The Effects of Insecurity on Family Life, 35–44
Hall, Helen, cited, 38, 39
HAROLD, GILBERT, Industrial Banks, 142–148
HART, SHIRLEY K., Government Agencies of Credit, 162–175

Hathway, Marion, cited, 42
Health
  as affected by industrialization, 36
  as related to income, 38–39
Henderson, Leon, 76, 131, 149
  cited, 66
HERT, ARTHUR H., Charge Accounts of Retail Merchants, 111–120
  cited, 117, 118
Hopkins, Harry L., 11, 166
HOW REGULATION WORKS IN PRACTICE: THE REGULATOR, Earl E. Davidson, 193–197
Howarth, Charles, 5

Illegal lenders, 59, 75–76
  as opposed to licensed companies, 133
  evasion of law by, 193–194
  principal states where they operate, 131
  See also Rates for consumer credit
Income, farm, 26–29, 31–33
Industrial accidents, *see* Accidents
INDUSTRIAL BANKS, Gilbert Harold, 142–148
  competition of, with other agencies, 145, 147–148
  distinctive features of, 142, 143
  Morris Plan banks
    a form of industrial bank, 142
    and Federal Reserve system
    origin and growth of, 142–143
    types of loans of, 145–146
  operating procedure of, 143–144
  rates of, 143, 147
  regulation of, 146–147
  repayment plans: investment certificates, 144
    savings accounts, 144
Industrialization
  as affecting: producer-consumer relations, 2, 7
    social security, 21–22, 45–46
    the family, 20–23, 35–37
  as necessitating consumer credit, 64–65
Insecurity, *see* Social security
Installment credit
  a permanent institution, 62
  advantages of, to buyers and sellers, 121–122, 126
  antiquity of, 57, 121
  as distinguished from money lending, 190–191
  as involving buyers in distress, 191–192, 200–204, 212–218
  capital tied up by, 126–127
  cost of, to buyer, 123–125, 212
  definition of, 121, 186
  development of, 57–59, 106
  disadvantages of, to buyers and sellers, 104–106, 123–127, 212–218
  economic soundness of, 60, 109
    threatened by New Deal policies, 61
  encouraged by Government devices, 59
  high-pressure salesmanship in, 202, 216
  justification of, 59–60
  losses on, 126
  repossessions, 125–126, 202–203
  regulatory legislation regarding, 184–188, 192, 196
  volume and percentage of, 127–128
  what sellers need to learn, 186
  See also Consumer credit
INSTALLMENT SELLING AND FINANCE COMPANIES, Milan V. Ayres, 121–129
Investment certificates issued by industrial banks to borrowers and nonborrowers, 144

Johnstone, Alan, quoted, 44

Kallen, Horace M., cited, 4
Kellogg, Paul U., cited, 38
KELSO, ROBERT W., Legal Attempts Toward Minimum Security, 45–51
King, Willford I., cited, 16
Kuhn, H. W., cited, 143
Kyrk, Hazel, cited, 37, 40, 42

Lazarsfeld, Paul F., cited, 41
Legal Aid Society of New York: difficulties arising from consumer credit, brought to, 198–204
LEGAL ATTEMPTS TOWARD MINIMUM SECURITY, Robert W. Kelso, 45–51
Legislation re consumer credit
  credit union laws, 155
  development of, 205–209
  evasion of, 191, 193–194
  model pawnbroking law, provisions of, 152
  New York Banking Act, re personal loan departments, 138
  purposes of early laws, 182, 221
  re installment selling, 184–188, 192
  re sales finance companies, 123
  re wage assignments, 201–202
  See also Social legislation; Uniform Small Loan Law
LICENSED LENDER, THE, Edgar F. Fowler, 130–134
Licensed lenders, *see* Personal finance companies
Life insurance
  borrowing on policies
    advantages and disadvantages of, 180
    as borrowing one's own property, 177
    extent of, 176–177
    limitations of privilege, 176
    problems involved in, 178–180
    rate of interest for, 176
    repayment of loans, 177–178
  premiums, advisable to lower, 179–180
  purchased by borrowers from industrial banks, 144

Living standards, *see* Standards of living
Loan sharks, *see* Illegal lenders
Loans
  as involving borrowers in distress, 198–200
  reasons for, 68, 69, 139, 158, 223
Lotka, Alfred J., cited, 16, 18
Lough, William H., 106
  cited, 100
Luther, Martin, 9

McCarren, Louise, 211
McCormack, Thomas C., cited, 40
Mangus, A. R., cited, 34
MARGIN OF ECONOMIC SECURITY FOR FARM FAMILIES, THE, Louis H. Bean, 25–34
Market economy, *see* Industrialization
MARKET FOR CONSUMER CREDIT: A CASE IN "IMPERFECT COMPETITION," THE, Theodore O. Yntema, 79–85
Marriage, as affected by the depression, 40–41
Marshall, Alfred, 2
Marx, Karl, 10
Medical care, cost of, 36
Milbank, Jeremiah, 154
Mill, John Stuart, 10
MITCHELL, BROADUS, Brief for the Consumer, 9–13
Moley, Raymond, 11
Morris, Arthur J., 142, 146
Morris, C. C., cited, 143
MOTTERSHEAD, EDMUND, III, Pawn Shops, 149–154
Moulton, Harold G., cited, 7

NEIFELD, M. R., What Consumer Credit Is, 63–73
  cited, 68, 76, 132, 149, 200
  quoted, 201
New Deal policies
  as affecting consumers, 10–11
  as encouraging disregard of obligations, 61
NUGENT, ROLF, The Changing Philosophy of Small Loan Regulation, 205–210
  cited, 72, 75, 88, 163, 174
  quoted, 164, 170, 196
NUNN, WILLIAM L., Revolution in the Idea of Thrift, 52–56

Old age, *see* Aged persons
Oppenheimer, Monroe, cited, 165
ORCHARD, C. R., Coöperative Consumer Credit, 155–161
Owen, Robert, 5

PADDI, JOHN B., The Personal Loan Department of a Large Commercial Bank, 135–141
PARKER, FRANK, The Pay-as-You-Use Idea, 57–62
PAWN SHOPS, Edmund Mottershead, III, 149–154
  business handicaps of, 150–152
  classification of patrons of, 150
  difficult to secure records of, 76, 149
  prospect for, 154
  rates of, 152
  regulation of, 151
  remedial loan associations, 76, 153–154
  volume of business of, 76, 149
PAY-AS-YOU-USE IDEA, THE, Frank Parker, 57–62
Perrott, G. St. J., cited, 38
Personal finance companies
  amounts of loans of, 131
  as a community asset, 134
  collection problems of, 221–222
  coöperation of, with supervisor, 197
  dubious practices of, 199–200
  factors governing rates of, 132–133
  purpose of, 223
  state supervision of, 130
    in Massachusetts, 193–197
  volume of loans of, 131
  See also Small loan business; Social service
PERSONAL LOAN DEPARTMENT OF A LARGE COMMERCIAL BANK, THE, John B. Paddi, 135–141
Pidgeon, Mary, cited, 42, 43
Pitman, Ralph W., cited, 143
  quoted, 147
Plutarch, 57
Popenoe, Paul, cited, 40
Potter, Ellen C., cited, 41
Production: and consumption, 10–13
  producer-consumer relations, 1–8
Propaganda by installment sellers, 105
Purchasing power not increased by consumer credit, 96–98, 102–105

Rates for consumer credit
  adequate, necessary to curb loan sharks, 133, 182
  by states, 77, 183
  by various agencies, 103
  charged by: credit unions, 159
    illegal lenders, 189
    industrial banks, 143, 147
    Manufacturers Trust Company, 138
    pawn shops, 152
  effects of rate-cutting, 83
  factors governing rates of personal finance companies, 132–133
  in Massachusetts, 195–196
  permitted by Uniform Small Loan Law, 130, 182, 190
  rate-making policies, 210
  rates for loans from life insurance policies, 176, 178
  regulation of, 84–85

usury, 189–191, 196, 205
Regulation of consumer credit
by administrative control, 209–210
by Government, needed, 91–92
by retail merchants, 115–116
development of, 181–188
evasion of law, 191, 193–194, 195
in England, 181
in Massachusetts
coöperation of licensed lenders in, 197
in emergencies, 195
legislative efforts, 196–197
requirement for obtaining license, 194
success of, 194–195
limitation of number of credit agencies, 72
regulation of industrial banks, 146–147
regulation of installment selling, 184–188, 192, 196
regulation of pawn shops, 151
regulation of personal finance companies, 130
regulation of sales finance companies, 123
suggested forms of, 60–61, 219–220
See also Legislation; Rates
Relief
percentages of farmers on, 34
proportion of nonfamily persons on, 40
relative size of families on, 40
See also Government aid to individuals
Remedial loan associations, *see* Pawn shops
REPORT OF THE BOARD OF DIRECTORS OF THE AMERICAN ACADEMY OF POLITICAL AND SOCIAL SCIENCE FOR THE YEAR 1937, 225–229
Repossession: hardships of, 202–203
of automobiles, 125–126
RETHINKING USURY LAWS, Reginald Heber Smith, 189–192
REVOLUTION IN THE IDEA OF THRIFT, William L. Nunn, 52–56
Ricardo, David, 11
Riefler, Winfield W., 166
Robinson, Louis N., cited, 143, 147
Rockefeller, John D., 11
Ross, Robert A., cited, 112

Sadd, Victor, cited, 66
Sales finance companies, 203
operating methods of, 65, 122
origin and growth of, 122–123
regulation of, 123
Senior, Nassau, 9
Sharecroppers, 30–31
Silverman, George H., 211
Small loan business
changing conditions in, 208–209
characteristics of, 206–207
unique feature of, 221
See also Personal finance companies
Smith, Adam, 8, 52
SMITH, REGINALD HEBER, Rethinking Usury Laws, 189–192
Social change and the family, *see* Family
Social legislation
minimum wage, 47
mothers' aid, 49
old-age protection, in various countries, 48–49
sickness insurance, in various countries, 47–48
Social Security Act, 50–51
survivor insurance, 49
unemployment insurance, in various countries, 49–50
weakness of, 38
workmen's compensation, in various countries, 46–47
Social security
weakened by industrialization, 21–22, 45–46
weakness of social insurance laws, 38
See also Government aid to individuals
Social service of personal finance companies, 133–134, 221–224
SOCIAL WORKER IN THE SERVICE OF THE SMALL LOAN BUSINESS, THE, Charles A. Gates, 221–224
Sparkes, Boyden, cited, 150, 151, 153
Spencer, Herbert, 1
Spencer, Lyle M., cited, 41
Standards of living in relation to wages, 21–22
Stein, David, 142
Stewart, Maxwell S., cited, 49
Stouffer, Samuel A., cited, 41
Strokosch, A., cited, 149
Sydenstricker, Edgar, cited, 16, 38

Thibert, Marguerite, cited, 42
Thomas, Dorothy Swaine, cited, 40
Thompson, Warren S., 48
Thorndike, Edward L., cited, 65
Thrift ideal: decline of, 22, 23–24, 54
in early United States, 52–53
in government, 53
manifestations of, 53
weakened by: consumer credit, 56, 223
government aid, 55–56
urbanization, 54
Tibbitts, Clark, cited, 39
Transients: care of, 41
handicaps of, regarding family life, 42
motives of, 41
number of, 41
Tugwell, Rexford G., 11
Turgot, Anne Robert Jacques, 189

Unemployment
as affecting family life, 37–44
in prosperous times, 38
Uniform Small Loan Law drafted by Russell Sage Foundation

adequacy of, 183–184
constitutionality of, 190
effectiveness of, in New York, 199–200
evasion of, 191
fifth and sixth drafts, 209
origin of, 130, 206
principles of, 207
provisions of, 130, 182–183, 190, 200
second, third, and fourth drafts, 208–209
states having such laws, 131, 183
Usury, *see* Rates for consumer credit

Vane, Calvin C., cited, 143, 146
Vasey, T., cited, 32
VOLUME AND CLASSIFICATION OF CONSUMER LOANS, Margaret Grobben, 74–78

Wage assignments, 201–202, 204
Wages in relation to living standards, 21–22
Walker, Frank C., 166
Warren, George F., 11
Watson, Frank, 166
Watt, James, 9
Wealth, distribution of, 11
Webb, John, cited, 41
Wendzel, J. T., cited, 32
WESTERFIELD, RAY B., Effect of Consumer Credit on the Business Cycle, 99–110
WHAT CONSUMER CREDIT IS, M. R. Neifeld, 63–73
Whelpton, Pascal K., 48
White, W. L., cited, 78
Wilbrandt, Robert, cited, 5
Williams, E. M., cited, 40
Williams, Robert T., cited, 66
Women in industry: effects of, 43–44
reasons for, 42–43
Woytinsky, W. S., cited, 67

YNTEMA, THEODORE O., The Market for Consumer Credit: A Case in "Imperfect Competition," 79–85